Wednesday, May 24, 2006

TO: Road to the Future Committee

Joint Legislative Committee on Transportation Needs and Financing

Medical College of Wisconsin, Milwaukee, Wisconsin

From: Betty Nowak

Marketing Manager

Port of Milwaukee

Thank you for allowing me to testify today on behalf of the Port of Milwaukee regarding your review of the long term and short term transportation needs for Wisconsin.

Perhaps many of you have traveled over the Hoan Bridge and wondering just what went on below the bridge in the Port of Milwaukee. What really happens in the Port of Milwaukee is that vital products are being handled daily that contribute to the long term economic stability and growth of the State of Wisconsin. Last year the Port handled roughly 3.5 million tons of vital products for the State. We handle products by Inland River barges, rail cars, Great Lakes self unloading vessels, ocean going vessel and by truck. What does 3.5 million tons really mean? 3.5 million tons is not just a big number, 3.5 million tons is a very large quantity of product. To give you a brief description of what 3.5 million tons, I will put it in a perspective you can understand. (3.5 million tons is equal to 152,000 truck loads. So if the trucks were 60 feet long (which most of them are) that would mean that if we stacked the trucks end to end, it would be 1700 mile long. Or to look at another perspective, if this tonnage was all a pile of, say, stone, it would be 1/2 mile long, 1/4 mile wide and over 25 feet high. So we do handle a tremendous amount of cargo.

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- I'd like to give you a few bullet points on the assets of the Port.
- The Port of Milwaukee is the only port in the State of Wisconsin serviced by two major railroads (Union Pacific Railroad and Canadian Pacific Railway).
- The Port of Milwaukee is the only deep-water commercial port the State of Wisconsin has on Lake Michigan. We have NO limitation to any size vessel that can service the Great Lakes, either lake vessels or foreign vessels.
- ❖ The Port of Milwaukee has the ONLY heavy lift crane in the State of Wisconsin that can lift over 250 tons direct from rail or from truck to vessel.
- We are the only port in the State of Wisconsin with direct interstate access going south, west and north.
- We are the largest Wisconsin port on Lake Michigan and the only port in Southeast Wisconsin which is geographically located to serve the largest population of the State.
- ❖ We have the only passenger and automobile ferry (the Lake Express) which carried in excess of 100,000 passengers last year that is strategically located to the largest population of the State (the ferry service is Milwaukee to Muskegon, MI).

Let me tell you about the services and products we provide at the Port of

Milwaukee because these products we handle are vital to the long-term economic success
and growth of the State of Wisconsin.

<u>Salt</u>: We handle roughly one million tons of salt each year that keep the streets and highways safe for driving and the sidewalks safe for walking. Approximately 45,000 truckloads per year are delivered to municipalities in Southeastern Wisconsin from the Port of Milwaukee. Typically we deliver to a 70-mile radius, from Neenah to Madison to

the Illinois border, serving the most traveled roads and servicing approximately 60-70% of the State's populated area.

<u>Cement</u>: We handle approximately 800,000 tons of cement each year, which is received by vessel and shipped by both truck and rail car, which is used in all construction in SE Wisconsin for both infrastructure and economic commercial growth, both supporting the State's economic long-term growth.

<u>Coal</u>: We handle approximately 900,000 tons each year of coal, which services three (3) of the State's power plants. The greatest amount of tonnage services the Milwaukee downtown power plant, which we transfer off of vessels on to barges for delivery to the plant.

Steel: Approximately 150,000 tons of both domestic production and foreign produced steel are brought through the Port of Milwaukee, which is all used in the Wisconsin market for construction and manufacturing which are both vital to WI economic growth.

Wisconsin Manufactured Project Cargo: The Port is very vital to large project cargo access, which allows us to export large machinery such as Bucyrus and Harnisfeger mining shovels. Our heavy lifting capacity at the Port allows many Wisconsin manufacturers of large machinery the ability to export their product competitively around the world.

Intermodal Containers: We handle approximately 350,000 tons of containerized products both imported and exported through our container yard each year. Wisconsin shippers can access the Far East and European markets with their exports from Milwaukee through our intermodal yard as well as receive imported products they need.

Cruise Ships:

The Port of Milwaukee will have 10 cruise ship calls this year. The passengers love coming to Milwaukee, and particularly enjoy the Miller Brewery tours and the Harley Davidson engine plant tour. Milwaukee has had continuous cruise ship calls since 1997.

What makes our port so successful and important to the Southeast Wisconsin economy is our ability to provide these services and products at a cost effective economic benefit to the customers and citizens for the long term economic growth of the State of Wisconsin.

If I had to tell you the greatest assets of the Port of Milwaukee from a macro level it would be our infrastructure of having a natural deep water port serviced by two major Class I Railroads and having direct freeway access to SE Wisconsin.

In closing, our Port Director Eric Reinelt is overseas this week and was approached by a major European shipper who wanted to know what Wisconsin's long term plans are. The ports are just one component to them when looking at their global distribution networks. They look at good highway infrastructure and good rail connections from the ports in order to get to their customers, just as manufacturers in Wisconsin need to know the transportation infrastructure will be here to get their Wisconsin products to the world markets.

Thank you for your time and for your consideration of water transportation in your review of the State's financing and transportation needs.